



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: September 27, 2011

TO: Mayor and Councilmembers

FROM: Administration, Airport Department

SUBJECT: Appropriation Of Federal Aviation Administration Airport Improvement Program Grants For Santa Barbara Airport

RECOMMENDATION: That Council:

- A. Increase appropriations and estimated revenue by \$2,149,832 in the Airport's Grant Fund for Construction of Terminal, Phase IV, with \$2,042,340 to be funded from the FAA Airport Improvement Program (AIP) Grant No. 03-06-0235-43, and the City's 5% matching portion of \$107,492 to be funded from Airport reserves above policy; and
- B. Increase appropriations and estimated revenue by \$833,074 in the Airport's Grant Fund for Airport Master Plan, with \$791,420 to be funded from the FAA Airport Improvement Program (AIP) Grant No. 03-06-0235-44, and the City's 5% matching portion of \$41,654 to be funded from Airport reserves above policy.

DISCUSSION:

Background

On March 15, 2011, Council authorized the Airport Director to execute, upon receipt, Airport Improvement Program grant offers from the Federal Aviation Administration for two projects for the Federal Fiscal Year 2011 allocation: the Airline Terminal Project and development of an Airport Master Plan. At that time, it was anticipated that FAA, working under Congressional Continuing Resolutions would distribute grants in late spring and early summer 2011. However, the Los Angeles District office postponed sending the AIP grants out to various airports until late August and early September.

Airport Improvement Grants

The first grant, AIP-43 in the amount of \$2,149,832, will be used for relocating the old Terminal, constructing roadways and ramp improvements for the new terminal project. The original budget for the Airline Terminal Project included approximately \$12,500,000 in Airport Improvement Program grants. With this grant, the Airport has received \$12,225,055 in AIP grants for the new Airline Terminal project.

The second grant, AIP-44 totaling \$833,074, is a Planning Grant for an Airport Master Plan. The FAA requires that airports maintain a Master Plan, and the Plans are updated every 5 to 10 years. The Airport's Master Plan was last updated in 2001. The Plan will

consider several issues including, but not limited to, the relocation of all general aviation facilities and services to the northern portion of the airfield, enhanced circulation and safety of the Airport's taxiway system, and Airline Terminal short and long term parking.

BUDGET/FINANCIAL INFORMATION:

Under the Airport Improvement Program the Airport is eligible to receive a total of \$2,754,840 in Entitlement grants for Federal Fiscal Year 2011. The FAA has additional funding available and has included \$78,920 in Discretionary funding for a total of \$2,833,760 in federal funds for the two grants. The City's matching share is 5% or \$149,146 for total project funding of \$2,982,906. The City's 5% match will be funded from Airport reserves above policy requirements.

PREPARED BY: Hazel Johns, Assistant Airport Director

SUBMITTED BY: Karen Ramsdell, Airport Director

APPROVED BY: City Administrator's Office